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Nos. 88-449, 88-513

IN THE

United States Supreme Court

OCTOBER TERM, 1988

JOHN F. HEALY, *et al.*,
Appellants

v.

THE BEER INSTITUTE, *et al.*,
Appellees

WINE AND SPIRITS WHOLESALERS OF CONNECTICUT, INC.,
Appellant

v.

THE BEER INSTITUTE, *et al.*,
Appellees

ON APPEAL FROM THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

MOTION FOR SUMMARY AFFIRMANCE

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MOTION FOR SUMMARY AFFIRMANCE

Appellees, The Beer Institute and certain brewers and beer importers,[1] respectfully move this Court for an order summarily affirming the judgment of the United States Court of Appeals for the Second Circuit in this action. The court of appeals held that amended Sections 30-63a(b), 30-63b(b) and 30-63c(b) of The Connecticut Liquor Control Act (the "beer price affirmation law")[2] constituted extraterritorial regulation by the State of Connecticut of the price of beer in the bordering states of Massachusetts, New York and Rhode Island and therefore were invalid under the Commerce Clause of the United States Constitution, art. I, § 8, cl. 3.

In 1983, this Court summarily affirmed a decision of the Second Circuit which held that the original beer price affirmation provisions of the Connecticut Liquor Control Act constituted impermissible extraterritorial regulation in violation of the Commerce Clause. *United States Brewers Ass'n* v. *Healy,* 692 F.2d 275 (2d Cir. 1982), *aff'd per curiam,* 464 U.S. 909 (1983) ("*Healy I*"). In 1984, the Connecticut legislature adopted certain technical amendments purportedly designed to correct the deficiencies found in *Healy I.* The Second Circuit, however, in the decision below, held that the Connecticut statute as amended continues to control the prices at which goods are sold in other states in violation of the Commerce Clause. *Beer Institute* v. *Healy,* 849 F.2d 753 (1988). Summary affirmance is appropriate because that decision is manifestly correct.

The court of appeals correctly applied the controlling precedents, including this Court's recent decisions invalidating other price affirmation statutes on the same grounds. *Brown-Forman Distillers Corp.* v. *New York State Liquor Authority,*

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[1] The Appendix to this motion contains the list required by Supreme Court Rule 28.1 of the appellees and their parent companies, subsidiaries (except wholly-owned subsidiaries) and affiliates.

[2] The Connecticut beer price affirmation provisions and price posting statute, Conn. Liquor Control Act § 30-63, are set out in their entirety at pages 3 through 6 of the Connecticut Jurisdictional Statement.

476 U.S. 573 (1986); *Healy I.* Appellants cannot and do not show that this case raises any substantial questions requiring full briefing and oral argument for their disposition.

PRELIMINARY STATEMENT

Connecticut's revised beer price affirmation law requires brewers to post prices on the sixth of each month to take effect on the first of the following month, and requires that all sales during that month be at the posted prices then in effect. Under the price affirmation provisions at issue in *Healy I,* brewers were required to affirm at the time of posting that their posted prices were no higher than the lowest prices they would charge during the effective period for the same items in the states bordering Connecticut. The court of appeals held that because the provisions had the practical effect of controlling for each future month the prices that brewers could charge to wholesalers in other states, the Connecticut law conflicted with "well-established Commerce Clause principles [that] prohibit the state from controlling the prices set for sales occurring wholly outside its territory." *Healy I,* 692 F.2d at 282.

The 1984 amendments to Connecticut's affirmation law provide that, at the time of posting, the brewer must affirm that the posted price is no higher than the lowest price then being offered anywhere in the border states. 1984 Conn. Acts 332. The amended statute purports to allow brewers to lower prices in the border states during the course of the calendar month covered by the posting. Section 30-63b(e). However, as the court of appeals recognized, no practical change was accomplished by the 1984 amendments. Because of the interrelation between the laws of the bordering states and the Connecticut law, it is simply untrue that brewers are free to lower their prices in the border states after posting their prices in Connecticut. Under the current price affirmation scheme – precisely as under the previous scheme – brewers are forced to set their border state prices according to the price to be posted in Connecticut. Conn. Jur. St. at 10A-12A.

The present appeal is no more substantial than that summarily rejected in *Healy I* and presents an even stronger case for summary affirmance.

First, there is no dispute as to the governing principle of law. As Appellants correctly acknowledge, "[i]t is well settled that the practical effect is the critical consideration in determining whether a statute escapes its borders to control liquor prices in other states." Conn. Jur. St. at 12. *See* Wholesalers' Jur. St. at 24-25. This Court recently reaffirmed this rule in striking down New York's price affirmation law in *Brown-Forman Distillers Corp.* v. *New York State Liquor Authority,* 476 U.S. 573, 583 (1986).

Second, Connecticut's statute has the practical effect of regulating brewers' prices in the bordering states by tying the maximum permissible price for a brand and package of beer in Connecticut to the minimum prices at which a brewer offers the same item anywhere in those other states. Moreover, it is obvious that controlling out-of-state prices is essential to Connecticut's acknowledged purpose for the law – "increasing the purchase of beer by Connecticut residents within the state and generating increased tax revenues for the state" by stopping the flow of "Connecticut residents [who] have crossed state borders in significant numbers to purchase beer in other states at lower retail prices." Conn. Jur. St. at 7, 8, 16. The court of appeals thus correctly held that the obvious extraterritorial effects of Connecticut's beer price affirmation statute were "purposeful." Conn. Jur. St. at 13A.

Third, this case does not present any issue concerning the scope or continuing validity of *Joseph E. Seagram & Sons, Inc.* v. *Hostetter,* 384 U.S. 35 (1966). Regardless of whether *Seagram* might be relevant to the constitutional analysis of some hypothetical statute, the present case is clearly controlled by *Brown-Forman* and *Healy I.*

ARGUMENT

POINT I

THE COURT OF APPEALS CORRECTLY HELD THAT THE AMENDED PRICE AFFIRMATION PROVISIONS UNCONSTITUTIONALLY REGULATE COMMERCE OUTSIDE CONNECTICUT

In *Brown-Forman,* this Court invalidated New York's price affirmation statute on the ground that, *inter alia,* the statute unconstitutionally constrained the pricing flexibility of the plaintiff distillers outside of New York. 476 U.S. at 583. Since *Brown-Forman,* courts have unanimously declared other price affirmation statutes to be extraterritorial regulation in violation of the Commerce Clause.[3]

Similarly, in this case the court of appeals held Connecticut's amended price affirmation statute unconstitutional on the ground that it "inevitably exercises control over 'the prices set for sales occurring wholly outside its territory.' " Conn. Jur. St. at 8A (quoting *Healy I,* 692 F.2d at 282). As the court of appeals correctly noted, under the Commerce Clause, "the critical consideration is the overall effect of the statute on both local and interstate activity." *Id.* at 9A, quoting *Brown-Forman, supra,* 476 U.S. at 579. The court of appeals also observed that this Court has consistently recognized that "the interaction of the statute with the regulatory schemes of neighboring states constitutes an 'overall effect' which appropriately is considered." Conn. Jur. St. at 9A. *See Kassel* v. *Consolidated Freightways Corp.,* 450 U.S. 662, 671 (plurality opinion); *Raymond Motor Transp., Inc.*

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[3] *See Brown-Forman Corp.* v. *Delaware Alco. Bev. Con. Comm'n,* No. 87-20 LON, slip op. (D. Del. Dec. 17, 1987) (striking down statute requiring price affirmation at time of sale); *Brown-Forman Corp.* v. *New Mexico Dep't of Alco. Bev. Cont.,* 672 F. Supp. 1383 (D.N.M. 1987); *Brown-Forman Corp.* v. *Tennessee Alco. Bev. Comm'n,* No. 3-86-0926, slip op. (M.D. Tenn. June 30, 1987) (available on WestLaw, Allfeds database); *Brown-Forman Corp.* v. *South Carolina Alco. Bev. Comm'n, 643 F. Supp. 943 (D.S.C. 1986).*

v. *Rice,* 434 U.S. 429, 445 (1978); *Bibb* v. *Navajo Freight Lines, Inc.,* 359 U.S. 520, 527-28 (1959); *Southern Pacific Co.* v. *Arizona,* 325 U.S. 761, 774-75 (1945).[4]

There is no dispute about how the Connecticut statute interacts with the regulatory schemes of the border states in a manner which controls the pricing decisions of brewers in those states. The court of appeals analyzed three aspects of this interaction.

First, Massachusetts regulations require brewers to post their prices on the first day of each month to become effective on the first day of the following month. Once posted, these prices cannot be changed. Mass. Gen. Laws Ann. ch. 138, § 25B. As discussed above, Connecticut's revised price affirmation law requires brewers to affirm on the sixth day of each month that the prices they will charge for the entire following month will be at least as low as the lowest price they are charging in any border state at the time of affirming. Therefore, when a brewer posts his February prices in Massachusetts on January 1, he must consider the prices he will be compelled to charge in Connecticut throughout the month of March. The Massachusetts price cannot be changed on February 7 after the affirmation required by Connecticut's law; it remains in effect for the entire month of February. As the court of appeals concluded, "[a] brewer can therefore undertake competitive pricing based on the market realities of Massachusetts or Connecticut but not both, because the Connecticut statute ties pricing to the regulatory schemes of the border states." Conn. Jur. St. at 10-A.

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[4] Connecticut fails in its attempts to distinguish the above-cited cases on the ground that they involve transportation and that the regulation of transportation necessarily requires greater interstate uniformity and admits of less local control than does the regulation of alcohol distribution. (*See* Conn. Jur. St. at 12). These considerations only indicate that local transportation regulations may have the *practical effect* of extraterritorially regulating commercial activity. In the instant case, it cannot and has not been seriously disputed that the *practical effect* of the Connecticut statute is to regulate commercial activity outside of Connecticut. As *Brown-Forman* confirms, the subject matter of a statute has no bearing upon whether, as a practical matter, the statute regulates commerce in another state.

Second, New York law requires that a promotional discount must be maintained for at least 180 days before prices can be raised. *See* N.Y. Alco. Bev. Cont. Law § 55-b(2) (McKinney 1987). The court of appeals correctly found that the practical effect of the Connecticut law is to deter such discounts from being offered in any market in New York,[5] because they must automatically be offered as the regular price everywhere in Connecticut for the full 180 days plus an additional one month beyond the termination of the New York promotion, regardless of local competitive conditions in Connecticut. Conn. Jur. St. at 10A-11A.

Third, volume discounts are permitted in Massachusetts, New York and Rhode Island, but are not allowed in Connecticut. The practical effect of Connecticut's price affirmation law is, therefore, to deter volume discounts anywhere in those states because the discounts would then have to be offered as the regular price for an entire month everywhere in Connecticut, where they may not be warranted by competitive conditions. Conn. Jur. St. at 12A.

Plainly, the practical effect of the Connecticut price affirmation law is to inhibit brewers from undertaking competitive pricing in the bordering states based solely on local market realities. Instead, when establishing their prices in Massachusetts, New York and Rhode Island, the brewers are constrained by the prices they will be compelled to charge in Connecticut throughout the month following each affirmation. Connecticut "has 'project[ed] its legislation' into other States, . . . directly regulated commerce therein," and deprived businesses and consumers in those states of "whatever competitive advantages they may possess" based on local market conditions, in contravention of established Commerce Clause principles. *Brown-Forman, supra,* 476 U.S. at 580, 584.

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[5] Unlike Connecticut, which mandates a uniform statewide price, New York law permits brewers to establish different prices based on conditions in different local markets. The Wholesalers' repeated unsupported assertions to the contrary, Wholesalers' Jur. St. at 20-23, are simply wrong.

A. *Brown-Forman* and Prior Decisions Invalidating Efforts of States To Control Commerce Beyond Their Borders Establish the Unconstitutionality of the Price Affirmation Provisions

The court of appeals' holding that the Connecticut law's control of prices outside Connecticut is prohibited by the Commerce Clause correctly applied this Court's decisions in *Brown-Forman, Healy I,* and a long line of prior cases. *See, e.g., Edgar v. MITE Corp.,* 457 U.S. 624, 642-43 (1981) (plurality opinion); *Schwegmann Bros. Giant Super Markets* v. *Louisiana Milk Comm'n,* 416 U.S. 922 (1974) (*per curiam*), *aff'g* 365 F. Supp. 1144 (N.D. La. 1973); *Southern Pacific Co.* v. *Arizona, supra,* 325 U.S. at 775; *Baldwin* v. *G.A.F. Seelig, Inc.,* 294 U.S. 511, 524, 528 (1935).

In *Brown-Forman,* this Court struck down a New York price affirmation law which required distillers to post their prices to New York wholesalers for the following month and affirm that those prices were no higher than the lowest prices they would charge any wholesalers anywhere in the United States during that month. 476 U.S. at 576, 582. The Court emphasized that the determinative issue was whether "the 'practical effect' of the law is to control liquor prices in other states." *Id.* at 583. After assessing the New York law's practical effects – including specifically the effects of its interaction with the regulatory schemes of other states – the Court concluded that the New York statute effectively prevented distillers from lowering their prices in other states after posting in New York and so exercised an impermissible extraterritorial effect in violation of the Commerce Clause.[6] *Id.* at

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[6] The Court noted that the specific controversy that gave rise to the lawsuit involved New York's (i) refusal to permit distillers to offer promotional allowances that are permitted in other states and (ii) its defining "effective price" for purposes of price affirmation differently from other states. The Court observed that, as a result of the interaction of these laws, the New York law "can effectively force [the seller] to abandon its promotional allowance program in states in which this program is legal, or force those other states to alter their own regulatory schemes . . . ." 476 U.S. at 584.

583-84. The Court also noted its agreement with its prior ruling in *Healy I* that a beer price affirmation statute which has the practical effect of controlling beer prices in other states is unconstitutional. *Id.* at 582.

Brown-Forman and *Healy I* followed a long series of rulings by this Court confirming the proposition that states may not adopt laws that have the practical effect of regulating economic activity outside their borders. For example, in *Edgar* v. *MITE Corp.*, 457 U.S. 624, 642-43 (1981) (plurality opinion), in which the Court struck down an Illinois statute that regulated interstate corporate takeovers of non-Illinois corporations, Justice White noted that the Commerce Clause "precludes the application of a state statute to commerce that takes place wholly outside of the State's borders, whether or not the commerce has effects within the State." In *Southern Pacific Co.* v. *Arizona,* 325 U.S. 761, 775 (1945), this Court struck down an Arizona law limiting the length of railroad trains because the "practical effect of such regulation is to control train operations beyond the boundaries" of Arizona. Similarly, in *Baldwin* v. *G.A.F. Seelig, Inc.*, 294 U.S. 511 (1935), the Court struck down a New York law that banned the sale in New York of milk purchased outside of that state if the purchase price fell below a minimum established by New York. The Court held that one state "has no power to project its legislation into . . . [another state] by regulating the price to be paid in that state for milk acquired there," *id.* at 521, or by attempting "to neutralize economic advantages belonging to" another state. *Id.* at 528. *See also Schwegmann Bros. Giant Super Markets* v. *Louisiana Milk Comm'n,* 416 U.S. 922 (1974) (*per curiam*), *aff'g* 365 F. Supp. 144 (M.D.La. 1973), summarily affirming a decision striking down a Louisiana statute which had the practical effect of regulating milk

prices in other states by preventing the sale in Louisiana of milk purchased out-of-state when the purchase price fell below the minimum set by Louisiana.[8]

The court of appeals carefully applied these precedents to assess the practical effects of the Connecticut affirmation law's interactions with the bordering states' beer regulations. In so doing, it correctly reached the same conclusion reached by this Court in *Healy I* and *Brown-Forman*: Connecticut's law exercises an impermissible effect on beer prices in other states in violation of the Commerce Clause.

B. Appellants' Arguments for Sustaining the Revised Price Affirmation Provisions are Without Merit

Appellants do not challenge the precedents relied on by the court of appeals or that court's application of those precedents to the obvious extraterritorial effects of the Connecticut statute. Instead, Appellants make three arguments which are totally lacking in substance.

First, appellants argue that, notwithstanding the extraterri torial effects, Connecticut's price affirmation law does not violate the Commerce Clause because those effects result not from the Connecticut law itself, but from the interaction of the law with the various beer pricing provisions of the border states. It is only the Connecticut law, however, which purposefully crosses state lines by referencing out-of-state prices when regulating beer prices for Connecticut. If Connecticut did not persist in tying maximum in-state beer prices to the lowest beer prices in neighboring states, the price regulations in its neighboring states would not contribute to the undis-

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[8] *CTS Corp.* v. *Dynamics Corp. of America,* U.S. , 107 S. Ct. 1637 (1987), which the Wholesalers argue is a new departure in this Court's Commerce Clause jurisprudence, Wholesalers' Jur. St. at 25-26, is entirely consistent with the precedents discussed above. In *CTS,* the Court upheld the validity of Indiana's "takeover statute" under the Commerce Clause precisely because it did *not* reach across state borders to regulate non-Indiana corporations. 107 S. Ct. at 1649. By contrast, Connecticut's beer price affirmation law purposefully reaches across borders to affect beer prices in neighboring states.

puted extraterritorial effects. As the Court stated in *Brown-Forman,* by its affirmation legislation "New York can effectively force appellant to abandon its promotional allowance program in States in which that program is legal, or force those other States to alter their own regulatory schemes . . . ." 476 U.S. at 584. In the same manner, Connecticut has purposefully interjected itself into the regulatory affairs of other states by deterring competitive pricing in those states in violation of basic Commerce Clause principles.

Second, Connecticut argues that it "has done all that it can" to enact a constitutional price affirmation statute when in 1984 it added a new provision which states that the Connecticut law "shall not prohibit a manufacturer . . . from changing prices to any wholesaler in any other state . . . at any time during the calendar month covered by such posting." Conn. Jur. St. at 12; Conn. Gen. Stat. § 30-63b(e). Connecticut's argument misses the point because this technical amendment was a mere cosmetic change to the Connecticut law which left the practical effects of its interaction with the bordering states' beer regulations unchanged. The court of appeals correctly found no significance in this amendment.

Moreover, Connecticut is surely being disingenuous when it argues that it has done all it can to stop regulating beer prices in the bordering states. In fact, Connecticut makes clear that its statute was designed to stem the flow of Connecticut residents crossing state lines "to purchase beer in other states at lower prices" by attempting to eliminate the fact that "[h]istorically, the retail price of beer has been generally higher in Connecticut than in the bordering states . . . ." *See,* Conn. Jur. St. at 7, 8, 16. If the brewers were really free to change their prices in the bordering states after affirmation in Connecticut – which they are not because of the interaction discussed above – Connecticut's beer price affirmation law would not and, indeed, could not have the effect intended by the State. Connecticut does not seriously dispute the fact that, as the court of appeals noted,

the practical effects of the Connecticut law's interaction with the bordering states' beer regulations are "purposeful." Conn. Jur. St. at 13A.[8]

Third, Appellants claim that Connecticut's attempted extraterritorial legislation is somehow saved by this Court's decision in *Joseph E. Seagram & Sons, Inc.* v. *Hostetter,* 384 U.S. 35 (1966). Not surprisingly, appellants do not explain how *Seagram* supports the statute at issue here. Unlike the price affirmation statute upheld in *Seagram,* the Connecticut statute is not "retrospective" in nature. Conn. Jur. St. at 13A. Therefore, like the statute at issue in *Brown-Forman,* Connecticut's law is neither validated by *Seagram* nor does it present any issue concerning the continuing validity of *Seagram. See Brown-Forman, supra,* 476 U.S. at 584 n.6.

Moreover, *Seagram* was decided in a unique context in which the statute at issue had not yet been put into effect. *Seagram, supra,* 384 U.S. at 43. At that time, "affirmation statutes were comparatively new," *Brown-Forman, supra,* 476 U.S. at 586 (Blackmun, J., concurring), and their practical effects could not be foreseen. The *Seagram* Court noted that "it is possible that specific future applications of . . . [the retrospective statute] may engender concrete problems of constitutional dimension," which it would deal with as they arose. 384 U.S. at 52. Here, the practical effects of the Con-

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[8] Even if brewers were, in fact, free to change their prices in Massachusetts, New York and Rhode Island *after* they had posted and affirmed their prices in Connecticut – which they are not – it would make no constitutional difference. Connecticut's law would still have an impermissible extraterritorial effect on beer prices in other states on the day of affirmation. As the district court said in striking down New Mexico's price affirmation statute:

> "Whether the extraterritorial effect of price affirmation legislation is directed to the past, to the future or to the instant of posting prices is of no constitutional consequence. 'It is not the timing of the extraterritorial effect but the fact that it takes place which the Supreme Court has declared invalid.' " *Brown-Forman Corp.* v. *New Mexico Dep't of Alco. Bev. Cont., supra* n.3, 672 F. Supp. at 1386.

necticut statute's interaction with the beer regulations of Massachusetts, New York and Rhode Island are clear and indistinguishable from the practical effects of the statutes struck down in *Brown-Forman* and *Healy I.* The court of appeals, therefore, correctly concluded that it would

> " . . . decline to *extend* the *Seagram* precedent to validate a simultaneous affirmation provision that, by its purposeful interaction with border-state regulatory schemes, operates to control prices beyond Connecticut's borders." Conn. Jur. St. at 13A (emphasis in original).

POINT II

CONNECTICUT'S EXTRATERRITORIAL CONTROL OF BEER PRICING IS NOT PROTECTED BY THE TWENTY-FIRST AMENDEMENT

Appellants repeat the same proposition already rejected by this Court in *Brown-Forman, supra,* 476 U.S. at 584-85, and *Healy I, supra,* 692 F.2d at 281, *aff'd per curiam,* 464 U.S. 909 (1983), that an extraterritorial price affirmation statute is somehow excused by the Twenty-first Amendment. As the court of appeals correctly held, this amendment reserves to the states the power to regulate " '*transportation* or *importation*' of liquor '*into* any [s]tate . . . for delivery or use *therein,*' " but does not give any state the power to control the price of liquor in other states. Conn. Jur. St. at 13A-14A (emphasis in original). Furthermore, Connecticut's reading of the Twenty-first Amendment would permit one state's exercise of its rights under this amendment to interfere through extraterritorial legislation in another state's exercise of the same rights, thus defeating the purpose of the amendment. *Id.; Brown-Forman, supra,* 476 U.S. at 585. Finally, Connecticut has not attempted to justify its price affirmation statute on the basis of a purpose to reduce beer consumption or combat any perceived evil of an unrestricted traffic in beer. Instead, Connecticut proclaims that the stat-

ute is designed to encourage Connecticut residents to purchase beer in Connecticut instead of the border states, thereby increasing Connecticut's tax revenues. Conn. Jur. St. at 7-8. Such legislation, when challenged as violative of the Commerce Clause, is not saved by the Twenty-First Amendment. *Bacchus Imports, Ltd.* v. *Dias,* 468 U.S. 263, 276 (1984).

CONCLUSION

For the foregoing reasons, the judgment of the court of appeals should be affirmed summarily.

Respectfully submitted,

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APPENDIX

Listing Required by Rule 28.1 of Appellees and Their Parent Companies, Subsidiaries (Except Wholly-Owned Subsidiaries) and Affiliates

Appellee The Beer Institute includes the following member corporations who are appellees in this case: Anheuser-Busch, Inc.; Miller Brewing Company; Latrobe Brewing Company; Pabst Brewing Company; and The Stroh Brewery Company.

Individual appellees include the following corporations: Anheuser-Busch, Inc.; Miller Brewing Company; G. Heileman Brewing Company; The Genessee Brewing Company, Inc.; All Brand Importers, Inc.; Dribeck Importers, Inc.; Guinness-Import Company, Inc.; Labatt Importers, Inc.; Martlett Importing Company, Inc.; Monterey Bay Company, Inc.; and Van Munching and Company, Inc.

The parent companies, subsidiaries (other than wholly-owned) and affiliates of each member of The Beer Institute, and of each individual corporate appellee are listed below under the name of the related association member or individual appellee:*

All Brand Importers, Inc.

Parent—Heublein, Inc.

Anheuser-Busch, Inc.

Parent—Anheuser-Busch Companies, Inc.

Subsidiaries and Affiliates—St. Louis National Baseball Club, Inc.; International Label Co.; Sports Time; Budweiser of Asheville; Golden Eagle Distributing Co. of Los Angeles; Ballygowan Spring Water Co., Ltd.

Dribeck Importers, Inc.

Parent, subsidiaries and affiliates—None

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* Based on information provided by the companies.

The Genessee Brewing Company

Parent—Genessee Corporation

G. Heileman Brewing Company, Inc.

Parent—Bond Corporation Holding, Ltd.

Guinness-Import Company, Inc.

Parent—Guinness, PLC

Labatt Importers, Inc.

Parent—Labatt's USA

Latrobe Brewing Company

Parent--Labatt's USA

Martlett Importing Company, Inc.

Parent—The Molson Breweries of Canada, Ltd.

Miller Brewing Company

Parent—Philip Morris Companies, Inc.

Monterey Bay Company

Parent—McKesson Corporation of Maryland

Pabst Brewing Company

Parent—S & P Company

The Stroh Brewing Company

Parent—The Stroh Companies, Inc.

Van Munching & Company

Parent, subsidiaries and affiliates—None